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TO RUEHC/SECSTATE WASHDC PRIORITY 7292
INFO RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY
RUEHGB/AMEMBASSY BAGHDAD 0229
RUCNDT/USMISSION USUN NEW YORK 0099

C O N F I D E N T I A L ABU DHABI 003942

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DEPT FOR NEA/ARP, EB/IFD/ODF
TREASURY FOR DAS SAEED

E.O. 12958: DECL: 10/11/2016
TAGS: [EAID](#) [ECON](#) [EFIN](#) [IZ](#) [AE](#)
SUBJECT: AMF DIRECTOR GENERAL UNHAPPY AT IRAQ PREP GROUP
EXCLUSION

REF: ABU DHABI 3100

Classified By: CDA Martin Quinn for reasons 1.4 (b &d).

11. (U) This is an action request. Please see para 5.

12. (C) On the margins of the Qatari National Day reception, Arab Monetary Fund (AMF) Director General, Jassem Al-Mannai expressed his disappointment to Econchief that the AMF had not been invited to participate in the Iraq Preparatory group meeting in Abu Dhabi on September 10. He explained that he had met with Iraqi Central Bank Governor Shabibi at the IMF/World Bank Annual meetings in Singapore and that Shabibi (assuming that the AMF had been invited) had asked why he did not attend the preparatory group meeting. Al-Mannai commented that he found it awkward to hold consultations on Iraq with the USG in July and not to be invited to a preparatory group meeting less than two months later, especially one held in the same city as the AMF's headquarters. Econchief explained that the invitations had been issued by the United Nations on behalf of the Government of Iraq, not by the USG and noted that there had been certain criteria used to determine preparatory group members.

13. (SBU) In response, Al-Mannai noted that the Iraqis held proportionately a larger share of the Arab Monetary Fund than they held in any other regional financial institution. (Note: Iraq and Algeria are tied as the second largest shareholders in the AMF, behind Saudi Arabia. End Note.) The Iraqis were also the AMF's largest defaulter nation. Although the AMF could not extend any new loans to Iraq until these arrears were restructured, Al-Mannai noted the extensive training program that the AMF has provided to Iraq, including 31 special macroeconomic/financial programming courses in 2005, jointly conducted with the IMF.

14. (C) Al-Mannai stressed that the AMF remained committed to working with Iraq. When Econchief promised to relay his concerns to Washington, Al-Mannai (unconvincingly) denied that he was pushing for a role in the preparatory group. He said, however, that he would need to consider whether future consultations with the USG on Iraq made sense, since the AMF would clearly be "out of the loop" on the Iraq Compact and would not be able to contribute anything to the consultations.

15. (SBU) Action Request: Please advise whether it makes sense for the AMF to be invited to future Iraq Compact events. If not, please advise on any further points post should make to address Al-Mannai's comments. End Action Request.
QUINN